

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Winthrop Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: January 7, 2022

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on September 1 of each fiscal year. The schedule is effective in FY22 (since the amount under the prior schedule was maintained in FY22) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.0% to 6.75% and a slight revision to the generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

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Enc.



**Winthrop Retirement System
January 1, 2021 Actuarial Valuation**

Total appropriation level until FY25 with final amortization payment in FY26

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Total Cost % Increase</u>
2022	1,898,930	270,000	1,779,395	3,948,325	6,748,556	
2023	1,984,382	270,000	1,693,943	3,948,325	5,325,028	0.0%
2024	2,073,679	270,000	1,604,646	3,948,325	3,895,651	0.0%
2025	2,166,995	270,000	1,511,330	3,948,325	2,464,089	0.0%
2026	2,264,509	270,000	1,045,696	3,580,205	1,034,438	-9.3%
2027	2,366,412	270,000		2,636,412	0	-26.4%

All amounts assume payments will be made September 1 of each fiscal year.
Normal cost includes expenses of \$525,000 and is assumed to increase 4.5% each year.
FY22 appropriation was maintained at the same level as the current schedule.